



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2010
OF THE CONDITION AND AFFAIRS OF THE

Pro Care Health Plan, Inc.

NAIC Group Code 0000 (Current Period), 0000 (Prior Period) NAIC Company Code 11081 Employer's ID Number 38-3295207

Organized under the Laws of Michigan, State of Domicile or Port of Entry Michigan

Country of Domicile United States

Licensed as business type: Life, Accident & Health [], Property/Casualty [], Dental Service Corporation [], Vision Service Corporation [], Other [], Health Maintenance Organization [X], Hospital, Medical & Dental Service or Indemnity [], Is HMO, Federally Qualified? Yes [] No [X]

Incorporated/Organized 09/29/1995 Commenced Business 12/19/2000

Statutory Home Office 3968 Mount Elliott (Street and Number), Detroit, MI 48207 (City or Town, State and Zip Code)

Main Administrative Office 3968 Mount Elliott (Street and Number), Detroit, MI 48207 (City or Town, State and Zip Code), 313-925-4607 (Area Code) (Telephone Number)

Mail Address 3968 Mount Elliott (Street and Number or P.O. Box), Detroit, MI 48207 (City or Town, State and Zip Code)

Primary Location of Books and Records 3968 Mount Elliott (Street and Number), Detroit, MI 48207 (City or Town, State and Zip Code), (Area Code) (Telephone Number)

Internet Website Address Procarehp.com

Statutory Statement Contact (Name), (Area Code) (Telephone Number) (Extension), (E-mail Address), (FAX Number)

OFFICERS

Name	Title	Name	Title
Robin Cole RN, MBA	President, CEO	Harold Montgomery CPA	Treasurer
Nancy Quarles	Secretary	Julius McDougal #	CFO

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Robin Cole RN, MBA	Berlinda Webb Member	Nancy Quarles Member	Harold Montgomery CPA
Claudia Austin Member			

State of

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County of

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Robin Cole, RN,MBA President, CEO Harold Montgomery, CPA Treasurer Julius McDougal CFO

Subscribed and sworn to before me this day of ,

a. Is this an original filing? Yes [] No []

b. If no,

1. State the amendment number

2. Date filed

3. Number of pages attached

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	.0		.0	.0
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	.0		.0	.0
2.2 Common stocks .....	.0		.0	.0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			.0	.0
4.2 Properties held for the production of income (less \$ encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ encumbrances) .....			.0	.0
5. Cash (\$4,033,043 , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$467,876 , Schedule DA).....	4,500,919		4,500,919	3,539,104
6. Contract loans (including \$premium notes).....			.0	.0
7. Derivatives .....			.0	
8. Other invested assets (Schedule BA) .....	.0		.0	.0
9. Receivables for securities .....			.0	.0
10. Securities lending reinvested collateral assets.....			.0	
11. Aggregate write-ins for invested assets .....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11)	4,500,919	.0	4,500,919	3,539,104
13. Title plants less \$charged off (for Title insurers only).....			.0	.0
14. Investment income due and accrued .....			.0	.50
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			.0	.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premium).....			.0	.0
15.3 Accrued retrospective premiums .....			.0	.0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			.0	.0
16.2 Funds held by or deposited with reinsured companies .....			.0	.0
16.3 Other amounts receivable under reinsurance contracts .....			.0	.0
17. Amounts receivable relating to uninsured plans .....			.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			.0	.0
18.2 Net deferred tax asset.....			.0	.0
19. Guaranty funds receivable or on deposit .....			.0	.0
20. Electronic data processing equipment and software	91,847		91,847	55,144
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	.0	.0	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
23. Receivables from parent, subsidiaries and affiliates .....			.0	.5,000
24. Health care (\$33,519) and other amounts receivable	33,519		33,519	40,405
25. Aggregate write-ins for other than invested assets .....	.0	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,626,285	.0	4,626,285	3,639,703
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	.0
28. Total (Lines 26 and 27)	4,626,285	0	4,626,285	3,639,703
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$ reinsurance ceded)	1,882,748		1,882,748	1,389,152
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses	33,950		33,950	24,950
4. Aggregate health policy reserves			0	0
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	501,192		501,192	80,008
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittance and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates.			0	0
16. Derivatives			0	
17. Payable for securities			0	0
18. Payable for securities lending.....			0	
19. Funds held under reinsurance treaties with (\$ authorized reinsurers and \$ unauthorized reinsurers)			0	0
20. Reinsurance in unauthorized companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23).....	2,417,890	0	2,417,890	1,494,110
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	60,000	60,000
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	2,953,557	2,953,557
29. Surplus notes	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(805,522)	(867,964)
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	2,208,035	2,145,593
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	4,625,925	3,639,703
DETAILS OF WRITE-INS				
2301. Property tax payable.....			0	0
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	19,862	13,475
2. Net premium income (including \$0 non-health premium income).....	XXX	6,505,043	4,502,369
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	(64,556)
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	6,505,043	4,437,813
Hospital and Medical:			
9. Hospital/medical benefits		3,462,511	2,322,705
10. Other professional services		46,880	30,986
11. Outside referrals			0
12. Emergency room and out-of-area		350,236	225,659
13. Prescription drugs		393,319	238,016
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0
16. Subtotal (Lines 9 to 15)	0	4,252,946	2,817,366
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	4,252,946	2,817,366
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$0 cost containment expenses.....		9,000	10,950
21. General administrative expenses.....		2,192,917	1,862,471
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	6,454,863	4,690,787
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	50,180	(252,974)
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		(9,801)	6,684
26. Net realized capital gains (losses) less capital gains tax of \$(5,917).....		(5,917)	(1,533)
27. Net investment gains (losses) (Lines 25 plus 26)	0	(15,718)	5,151
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			0
29. Aggregate write-ins for other income or expenses	0	0	500,000
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	34,462	252,177
31. Federal and foreign income taxes incurred	XXX		0
32. Net income (loss) (Lines 30 minus 31)	XXX	34,462	252,177
DETAILS OF WRITE-INS			
0601. Provider tax (QAAP).....	XXX		(64,556)
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	(64,556)
0701.	XXX		0
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Other Income.....			500,000
2902.			0
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0	500,000

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting year	2,145,592	1,596,229
34. Net income or (loss) from Line 32	34,462	252,177
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax		0
39. Change in nonadmitted assets	27,980	(2,814)
40. Change in unauthorized reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	300,000
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	1	0
48. Net change in capital and surplus (Lines 34 to 47)	62,443	549,363
49. Capital and surplus end of reporting year (Line 33 plus 48)	2,208,035	2,145,592
DETAILS OF WRITE-INS		
4701. Rounding error adjustment.....	1	0
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	1	0

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	6,505,043	4,502,369
2. Net investment income.....	(2,506)	6,684
3. Miscellaneous income.....	0	(64,556)
4. Total (Lines 1 through 3).....	6,502,537	4,444,497
5. Benefit and loss related payments.....	3,759,350	2,148,429
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,771,733	1,862,471
8. Dividends paid to policyholders.....		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0
10. Total (Lines 5 through 9).....	5,531,083	4,010,900
11. Net cash from operations (Line 4 minus Line 10).....	971,454	433,597
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	0	0
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(5,917)	(1,533)
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	(5,917)	(1,533)
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	0	0
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	0	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	0
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(5,917)	(1,533)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	300,000
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	(3,722)	637,110
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(3,722)	937,110
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	961,815	1,369,174
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	3,539,104	2,169,930
19.2 End of year (Line 18 plus Line 19.1).....	4,500,919	3,539,104

ANNUAL STATEMENT FOR THE YEAR 2010 OF THE Pro Care Health Plan, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	6,505,043	0	0	0	0	0	0	6,505,043	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									
4. Risk revenue	0									
5. Aggregate write-ins for other health care related revenues	0									XXX
6. Aggregate write-ins for other non-health care related revenues	0									XXX
7. Total revenues (Lines 1 to 6)	6,505,043	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8. Hospital/medical benefits	3,462,511	0	0	0	0	0	0	6,505,043	0	0
9. Other professional services	46,780							3,462,511		XXX
10. Outside referrals	0							46,780		XXX
11. Emergency room and out-of-area	350,236							350,236		XXX
12. Prescription drugs	393,319							393,319		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	4,252,846	0	0	0	0	0	0	4,252,846	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total hospital and medical (Lines 15 minus 16)	4,252,846	0	0	0	0	0	0	4,252,846	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ cost containment expenses	9,000							9,000		
20. General administrative expenses	2,192,917							2,192,917		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0									
23. Total underwriting deductions (Lines 17 to 22)	6,454,763	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	50,280	0	0	0	0	0	0	6,454,763	0	0
								50,280	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	XXX
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698.	Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699.	Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398.	Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	XXX
1399.	Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Ceded	4 Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....				.....0
2. Medicare Supplement .....				.....0
3. Dental only.....				.....0
4. Vision only.....				.....0
5. Federal Employees Health Benefits Plan.....				.....0
6. Title XVIII - Medicare.....				.....0
7. Title XIX - Medicaid.....	6,598,406		93,363	6,505,043
8. Other health.....				.....0
9. Health subtotal (Lines 1 through 8)	6,598,406	0	93,363	6,505,043
10. Life .....				.....0
11. Property/casualty.....				.....0
12. Totals (Lines 9 to 11)	6,598,406	0	93,363	6,505,043

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	3,759,350							3,759,350		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	3,759,350	0	0	0	0	0	0	3,759,350	0	0
2. Paid medical incentive pools and bonuses										
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	1,882,748	0	0	0	0	0	0	1,882,748	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	1,882,748	0	0	0	0	0	0	1,882,748	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year										
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year										
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	1,389,152	0	0	0	0	0	0	1,389,152	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	1,389,152	0	0	0	0	0	0	1,389,152	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year										
11. Amounts recoverable from reinsurers December 31, prior year										
12. Incurred benefits:										
12.1 Direct	4,252,946	0	0	0	0	0	0	4,252,946	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	4,252,946	0	0	0	0	0	0	4,252,946	0	0
13. Incurred medical incentive pools and bonuses										
(a) Excludes \$		0	0	0	0	0	0	0	0	0

loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	121,075							121,075		
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	121,075	0	0	0	0	0	0	121,075	0	0
2. Incurred but Unreported:										
2.1 Direct	1,761,673							1,761,673		
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	1,761,673	0	0	0	0	0	0	1,761,673	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	1,882,748	0	0	0	0	0	0	1,882,748	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	1,882,748	0	0	0	0	0	0	1,882,748	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)					0	0
2. Medicare Supplement					0	0
3. Dental Only					0	0
4. Vision Only					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid	735,970	3,023,380	685,553	1,197,195	1,421,523	1,389,152
8. Other health					0	0
9. Health subtotal (Lines 1 to 8)	735,970	3,023,380	685,553	1,197,195	1,421,523	1,389,152
10. Healthcare receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts					0	0
13. Totals (Lines 9 - 10 + 11 + 12)	735,970	3,023,380	685,553	1,197,195	1,421,523	1,389,152

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX Medicaid

	Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
		1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior		.0		.0		
2. 2006		.0		.0		
3. 2007		XX		.0		
4. 2008		XX	XX	.0		
5. 2009		XX	XX	652	220	736
6. 2010		XX	XX	XX	1,915	3,023
		XX	XX	XX	XX	

Section B – Incurred Health Claims - Title XIX Medicaid

	Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior						
2. 2006						
3. 2007		XX				
4. 2008		XX	XX	652	220	736
5. 2009		XX	XX	XX	1,915	3,023
6. 2010		XX	XX	XX	XX	

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Title XIX Medicaid

	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2006	.0	.0	.0	.0	.0	.0		.0	.0	.0
2. 2007	.0	.0	.0	.0	.0	.0		.0	.0	.0
3. 2008	1,776	736		.0	736	41.4		736	41.4	
4. 2009	4,419	3,023	.0	.0	3,023	68.4		3,023	68.4	
5. 2010	6,598,406	0	0	.0	0	0.0	1,883	34	1,917	0.0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior		.0	.0	.0	.0	.0
2. 2006		.0				.0
3. 2007		XX				.0
4. 2008		XX	XX			.0
5. 2009		XX	XX	652	220	736
6. 2010		XX	XX	XX	1,915	3,023
		XX	XX	XX	XXX	0

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior		.0	.0	.0	.0	.0
2. 2006		.0				.0
3. 2007		XX				.0
4. 2008		XX	XX			.0
5. 2009		XX	XX	1,304	440	.0
6. 2010		XX	XX	XX	3,830	1,470
		XX	XX	XX	XXX	6,046

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	Col. (3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	Col. (5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	Col. (9/1) Percent
1. 2006		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 2007		.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2008		1,776	736	.0	.0	736	41.4	.0	.0	736	41.4
4. 2009		4,419	3,023	.0	.0	3,023	68.4	.0	.0	3,023	68.4
5. 2010		6,598,406	0	0	0.0	0	0.0	1,893	34	1,917	0.0

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A – Paid Health Claims - Hospital and Medical

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1	2	3	4	5
1. Prior						
2.						
3.		XXX				
4.		XXX	XXX			
5.		XXX	XXX	XXX		
6.		XXX	XXX	XXX	XXX	

Section B – Incurred Health Claims - Hospital and Medical

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2006	2 2007	3 2008	4 2009	5 2010
1. Prior						
2. 2006						
3. 2007		XXX				
4. 2008		XXX	XXX	652	220	
5. 2009		XXX	XXX	XXX	1,915	735
6. 2010		XXX	XXX	XXX	XXX	3,023

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Hospital and Medical

Years in which Premiums were Earned and Claims were Incurred	1	2	3	4	5	6	7	8	9	10
	Premiums Earned	Claims Payments	Claim Adjustment Expense Payments	Col. (3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2+3)	Col. (5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	Col. (9/1) Percent
1.										
2.										
3.										
4.										
5.										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	.0								
2. Additional policy reserves (a)	.0								
3. Reserve for future contingent benefits	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income)	.0								
5. Aggregate write-ins for other policy reserves	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	.0	.0	.0	.0	.0	.0	.0	.0	.0
7. Reinsurance ceded	.0								
8. Totals (Net) (Page 3, Line 4)	.0	.0	.0	.0	.0	.0	.0	.0	.0
9. Present value of amounts not yet due on claims	.0								
10. Reserve for future contingent benefits	.0								
11. Aggregate write-ins for other claim reserves	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross)	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded	.0								
14. Totals (Net) (Page 3, Line 7)	.0	.0	.0	.0	.0	.0	.0	.0	.0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	.0	.0	.0	.0	.0	.0	.0	.0	.0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	.0	.0	.0	.0	.0	.0	.0	.0	.0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....			36,000		36,000
2. Salaries, wages and other benefits.....		9,000	827,058		836,058
3. Commissions (less \$ceded plus \$assumed.....					0
4. Legal fees and expenses.....			237,663		237,663
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			7,000		7,000
7. Traveling expenses.....			13,942		13,942
8. Marketing and advertising.....			78,707		78,707
9. Postage, express and telephone.....			41,882		41,882
10. Printing and office supplies.....			17,149		17,149
11. Occupancy, depreciation and amortization.....			23,254		23,254
12. Equipment.....					0
13. Cost or depreciation of EDP equipment and software.....			13,420		13,420
14. Outsourced services including EDP, claims, and other services.....					0
15. Boards, bureaus and association fees.....			2,988		2,988
16. Insurance, except on real estate.....			76,633		76,633
17. Collection and bank service charges.....				9,605	9,605
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					0
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....			55,478		55,478
23.5 Other (excluding federal income and real estate taxes).....			378,105		378,105
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	383,638	0	383,638
26. Total expenses incurred (Lines 1 to 25).....	0	9,000	2,192,917	9,605	(a).....2,211,522
27. Less expenses unpaid December 31, current year.....		33,950	501,192		535,142
28. Add expenses unpaid December 31, prior year.....	0	24,950	80,008	0	104,958
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	0	1,771,733	9,605	1,781,338
DETAIL OF WRITE-INS					
2501. License & fees.....			62,583		62,583
2502. Contract services.....			133,173		133,173
2503. Seminar & Training.....			6,435		6,435
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	181,447	0	181,447
2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above)	0	0	383,638	0	383,638

(a) Includes management fees of \$to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....	.....
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....	.....
1.3	Bonds of affiliates	(a) .....0	.....
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....
2.11	Preferred stocks of affiliates	(b) .....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans.....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e) .....239	.....239
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	239	239
11.	Investment expenses		(g) .....10,040
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....10,040
17.	Net investment income (Line 10 minus Line 16)		(9,801)
DETAILS OF WRITE-INS			
0901.	Interest Income .....	.....0	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$accrual of discount less \$amortization of premium and less \$0 paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$interest on capital notes.
(i) Includes \$depreciation on real estate and \$depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5.
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....			.....0		
1.1	Bonds exempt from U.S. tax .....			.....0		
1.2	Other bonds (unaffiliated) .....			.....0		
1.3	Bonds of affiliates .....0	.....0		.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....0	.....0
5.	Contract loans .....			.....0		
6.	Cash, cash equivalents and short-term investments	(5,917)		(5,917)	.....0	.....0
7.	Derivative instruments .....			.....0		
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	(5,917)	0	(5,917)	0	0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9, above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives	0		0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets	0		0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	0	0	0
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	27,980	27,980
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	0	27,980	27,980
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	0	27,980	27,980
DETAILS OF WRITE-INS			
1101. Building Sign.....	0	0	0
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid SBT.....	0	0	0
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment		Total Members at End of					
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	6 Current Year Member Months
1. Health Maintenance Organizations.....		1,423	1,634	1,664	1,612	1,823	19,862
2. Provider Service Organizations.....		.0					
3. Preferred Provider Organizations.....		.0					
4. Point of Service.....		.0					
5. Indemnity Only.....		.0					
6. Aggregate write-ins for other lines of business		0	0	0	0	0	0
7. Total		1,423	1,634	1,664	1,612	1,823	19,862
DETAILS OF WRITE-INS							
0601.							
0602.							
0603.							
0698. Summary of remaining write-ins for Line 6 from overflow page		.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)		0	0	0	0	0	0

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The financial statements of Pro Care Health Plan, Inc. have been completed in accordance with the NAIC Accounting Practices and Procedures manual except for items prescribed or permitted by the State of Michigan, Office of Financial and Insurance Regulation.

The presentation of the financial statements in conformity with the NAIC Accounting Practices manual, requires management to make estimate and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash equivalents: Short-term Investments with maturity of three months or less at the time of purchase are reported as Cash equivalents. Short-term investments consist of Exempt Money Market Mutual funds as well as Certificate of Deposit with maturity of one year or less at the purchase date are stated at amortized cost less any valuation allowance and non-admitted amounts.

Equipment is stated at depreciated cost. Depreciation is determined by the straight-line method over the estimated useful life of the asset.

Medical claims liability consists of unpaid medical claims and other obligations resulting from the provision of health care services. The liabilities include claims reported as of the balance sheet date as well as estimates for claims incurred but not reported. As of 12/31/2010 ProCare has \$1,882,748 Claims unpaid and the \$33,950 Unpaid Claims adjustment expenses.

The Plan was approved for expansion of service area for Medicaid Managed Care, Wayne County in November 2007. Pro Care got its first members effective January 2008. As of 12/31/10, the Plan had 1,823 members.

2. Accounting Changes and Correction of Errors

Not applicable

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments. (Mortgage Loans, Debt Restructuring, Reverse Mortgages, Loan-Backed Securities and Repurchase Agreements and Real Estate.)

NOTES TO FINANCIAL STATEMENTS

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable

7. Investment Income

Not applicable

8. Derivative Instruments

Not applicable

9. Income Taxes

Not applicable

10. Information Concerning Parent, Subsidiaries and Affiliates

ProCare signed a contractual agreement to provide management services to its affiliate, ProCare Plus, Inc. in the year 2004.

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post retirement Benefit Plans

Not applicable

13. Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations

The Plan has 60,000, authorized, issued, and outstanding shares with Par Value of \$1.00. Unassigned funds has been increased by net income of \$34,462.

14. Contingencies

Not applicable

15. Leases

NOTES TO FINANCIAL STATEMENTS

Pro Care leases office space from ProCare Plus, Inc. The lease is on a month-to-month basis in the amount of \$3,000 per month.

Lease payments and income under the leases are as follows:

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Rental Expense	\$ 36,000	36,000	24,000	24,000	24,000
Rental Income	-0-	- 0-	66,000	66,000	84,350
Computer Equipment	-0-	-0-	-0-	-0-	-0-

16. Information about Financial Instruments with Off-Balance Sheet risk and Financial Instruments with Concentrations of Credit Risk

Not applicable

17. Sales, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable

19. Direct Premium Written/Produced by Managing General Agents/ Third Party Administrators

Not applicable

20. Other Items

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring: Debtors

Not applicable

C. Other Disclosures

NOTES TO FINANCIAL STATEMENTS

D. Not applicable

E. Business Interruption Insurance Recoveries.

Not applicable

F. State Transferable Tax Credits.

Not applicable

G. A reporting entity should disclose the aggregate amount of deposits admitted under section 6603 of the Internal Revenue Service Code.

Not applicable

H. Hybrid Securities.

Not applicable

21. Events Subsequent

N/A.

22. Reinsurance

Non-applicable.

23. Retrospectively Rated Contracts & Contracts Subject to Re-determination

Not applicable

24. Change in Incurred Claims and Claim Adjustment Expenses.

Not applicable.

25. Inter-Company Pooling Arrangement .

Not applicable

26. Structured Settlements.

Not applicable

NOTES TO FINANCIAL STATEMENTS

27. Health Care Receivable

The Plan has Maternity Case rate receivable in the amount of \$33,519 from the State of Michigan, Medicaid Program.

28. Participating Policies.

Not applicable.

29. Premium Deficiency Reserves.

Not applicable.

30. Anticipated Salvage and Subrogation.

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ NA ☐
- 1.3

State Regulating?

State of Michigan, Office of Financial and Insurance Regulation
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2008
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2008
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/16/2010
- 3.4

By what department or departments?

Office of Financial and Insurance Regulation
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☒ No ☐ NA ☐
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ NA ☐
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

Yes ☐ No ☒
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒
- 7.2

If yes,

7.21 State the percentage of foreign control

0.0

7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Hungerford & CPA's , 13305 Reeck Rd., Southgate, MI. 48195
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
- 10.3

Has the insurer been granted any exemptions to the audit committee requirements as allowed in Section 14H of the Annual Financial Reporting Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
- 10.5

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]
- 10.6

If the response to 10.5 is yes, provide information related to this exemption:
- 10.7

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] NA []
- 10.8

If the response to 10.7 is no or n/a, please explain
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

John D. Stiefel III, FSA, MAAA, EA., 19 Sage Rd. Suite 110, Wetherfield, CT. 06109
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved

0
- 12.13

Total book/adjusted carrying value

\$ 0
- 12.2

If yes, provide explanation
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] NA []
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- 14.1

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- 14.1

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- 14.1

Compliance with applicable governmental laws, rules and regulations;
- 14.1

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- 14.1

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is no, please explain:
- 14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

BOARD OF DIRECTORS

15.

Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?

Yes [X] No []
16.

Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?

Yes [X] No []
17.

Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?

Yes [X] No []

GENERAL INTERROGATORIES
FINANCIAL

18.

Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?

Yes [] No [X]

19.1

Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

19.11 To directors or other officers

\$

0

19.12 To stockholders not officers

\$

0

19.13 Trustees, supreme or grand (Fraternal only)

\$

0

19.2

Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):

19.21 To directors or other officers

\$

0

19.22 To stockholders not officers

\$

0

19.23 Trustees, supreme or grand (Fraternal only)

\$

0

20.1

Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?

Yes [] No [X]

20.2

If yes, state the amount thereof at December 31 of the current year:

20.21 Rented from others

\$

20.22 Borrowed from others

\$

0

20.23 Leased from others

\$

0

20.24 Other

\$

0

21.1

Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?

Yes [] No [X]

21.2

If answer is yes:

21.21 Amount paid as losses or risk adjustment

\$

0

21.22 Amount paid as expenses

\$

0

21.23 Other amounts paid

\$

0

22.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]

22.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount:

\$

INVESTMENT

23.1

Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 23.3).

Yes [X] No []

23.2

If no, give full and complete information, relating thereto

23.3

For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)

23.4

Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?

Yes [] No [] NA []

23.5

If answer to 23.4 is yes, report amount of collateral for conforming programs.

\$

0

23.6

If answer to 23.4 is no, report amount of collateral for other programs.

\$

0

23.7

Does the company's security lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?

Yes [] No [] NA []

23.8

Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?

Yes [] No [] NA []

23.9

Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?

Yes [] No [] NA []

24.1

Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 20.1 and 23.3)

Yes [X] No []

24.2

If yes, state the amount thereof at December 31 of the current year:

24.21 Subject to repurchase agreements

\$

0

24.22 Subject to reverse repurchase agreements

\$

0

24.23 Subject to dollar repurchase agreements

\$

0

24.24 Subject to reverse dollar repurchase agreements

\$

0

24.25 Pledged as collateral

\$

0

24.26 Placed under option agreements

\$

0

24.27 Letter stock or securities restricted as to sale

\$

0

24.28 On deposit with state or other regulatory body

\$

0

24.29 Other

\$

467,876

24.3

For category (24.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

25.1

Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [] No [X]

25.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes [] No [] NA []

If no, attach a description with this statement.

26.1

Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?

Yes [] No [X]

26.2

If yes, state the amount thereof at December 31 of the current year.

\$

0

GENERAL INTERROGATORIES

27. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [] No [X]

27.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

<div>1</div> <div>Name of Custodian(s)</div>	<div>2</div> <div>Custodian's Address</div>
.....
.....

27.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

<div>1</div> <div>Name(s)</div>	<div>2</div> <div>Location(s)</div>	<div>3</div> <div>Complete Explanation(s)</div>
.....
.....

27.03 Have there been any changes, including name changes, in the custodian(s) identified in 27.01 during the current year? Yes [] No [X]

27.04 If yes, give full and complete information relating thereto:

<div>1</div> <div>Old Custodian</div>	<div>2</div> <div>New Custodian</div>	<div>3</div> <div>Date of Change</div>	<div>4</div> <div>Reason</div>
.....
.....

27.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

<div>1</div> <div>Central Registration Depository Number(s)</div>	<div>2</div> <div>Name</div>	<div>3</div> <div>Address</div>
.....
.....

28.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?..... Yes [] No [X]

28.2 If yes, complete the following schedule:

<div>1</div> <div>CUSIP #</div>	<div>2</div> <div>Name of Mutual Fund</div>	<div>3</div> <div>Book/Adjusted Carrying Value</div>
.....
.....
28.2999	TOTAL	0

28.3 For each mutual fund listed in the table above, complete the following schedule:

<div>1</div> <div>Name of Mutual Fund (from above table)</div>	<div>2</div> <div>Name of Significant Holding of the Mutual Fund</div>	<div>3</div> <div>Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding</div>	<div>4</div> <div>Date of Valuation</div>
.....
.....

GENERAL INTERROGATORIES

29. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
29.1 Bonds.....	0		0
29.2 Preferred Stocks.....	0		0
29.3 Totals	0	0	0

29.4 Describe the sources or methods utilized in determining the fair values:

30.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?..... Yes [] No []

30.2 If the answer to 30.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?..... Yes [] No []

30.3 If the answer to 30.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

31.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? Yes [X] No []

31.2 If no, list exceptions:

OTHER

32.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?.....\$0

32.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid

33.1 Amount of payments for legal expenses, if any?.....\$178,629

33.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid

34.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$0

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$ 6,489,256

\$ 4,502,369

2.2

Premium Denominator

\$ 6,505,043

\$ 4,502,369

2.3

Premium Ratio (2.1/2.2)

0.998

1.000

2.4

Reserve Numerator

\$ 1,882,748

\$ 1,389,152

2.5

Reserve Denominator

\$ 1,882,748

\$ 1,389,152

2.6

Reserve Ratio (2.4/2.5)

1.000

1.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No []

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 142,500

5.32

Medical Only

\$ 0

5.33

Medicare Supplement

\$ 0

5.34

Dental and Vision

\$ 0

5.35

Other Limited Benefit Plan

\$ 0

5.36

Other

\$ 0

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

695

8.2

Number of providers at end of reporting year

1,189

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

9.22

Business with rate guarantees over 36 months

27

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?.....

Yes [] No [X]

10.2

If yes:

10.21

Maximum amount payable bonuses

\$.....0

10.22

Amount actually paid for year bonuses

\$.....0

10.23

Maximum amount payable withholds

\$.....0

10.24

Amount actually paid for year withholds

\$.....0

11.1

Is the reporting entity organized as:

11.12

A Medical Group/Staff Model,

Yes [] No [X]

11.13

An Individual Practice Association (IPA), or,

Yes [X] No []

11.14

A Mixed Model (combination of above) ?.....

Yes [] No [X]

11.2

Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [X] No []

11.3

If yes, show the name of the state requiring such net worth.

State of Michigan, Office of Financial and Insurance Regulation

11.4

If yes, show the amount required.

\$.....1,500,000

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [] No [X]

11.6

If the amount is calculated, show the calculation

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area

13.1

Do you act as a custodian for health savings accounts?.....

Yes [] No [X]

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.....

\$.....

13.3

Do you act as an administrator for health savings accounts?.....

Yes [] No [X]

13.4

If yes, please provide the balance of the funds administered as of the reporting date.....

\$.....

FIVE-YEAR HISTORICAL DATA

	1 2010	2 2009	3 2008	4 2007	5 2006
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	4,626,285	3,639,703	2,446,626	1,816,573	2,084,768
2. Total liabilities (Page 3, Line 24)	2,417,890	1,494,110	850,397	165,499	84,316
3. Statutory surplus	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
4. Total capital and surplus (Page 3, Line 33)	2,208,035	2,145,593	1,596,229	1,651,074	2,000,452
Income Statement (Page 4)					
5. Total revenues (Line 8)	6,505,043	4,437,813	1,692,391	(31,731)	604,004
6. Total medical and hospital expenses (Line 18)	4,252,946	2,817,366	1,358,093	.0	.0
7. Claims adjustment expenses (Line 20)	9,000	10,950	18,200	.0	.0
8. Total administrative expenses (Line 21)	2,192,917	1,862,471	544,943	337,897	912,352
9. Net underwriting gain (loss) (Line 24)	50,180	(252,974)	(228,845)	(369,628)	(308,348)
10. Net investment gain (loss) (Line 27)	(15,718)	5,151	173,807	10,008	(59,008)
11. Total other income (Lines 28 plus 29) .....	.0	500,000	.0	.0	.0
12. Net income or (loss) (Line 32)	34,462	252,177	(55,038)	(359,620)	(367,356)
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	971,454	433,597	622,347	(288,120)	(331,532)
Risk - Based Capital Analysis					
14. Total adjusted capital	2,208,035	2,145,593	1,596,229	1,651,074	2,000,452
15. Authorized control level risk-based capital	399,709	164,433	171,615	32,157	44,692
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	1,823	1,423	.827	.0	.0
17. Total members months (Column 6, Line 7)	19,862	13,475	5,691	.0	.0
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	65.4	62.6	76.5	0.0	0.0
20. Cost containment expenses	0.0	0.0	0.0	0.0	xxx
21. Other claims adjustment expenses	0.1	0.2	1.0	0.0	0.0
22. Total underwriting deductions (Line 23)	99.2	104.2	108.2	(1,064.9)	(2,992.3)
23. Total underwriting gain (loss) (Line 24)	0.8	(5.6)	(12.9)	1,164.9	1,011.3
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	1,421,523	570,558	.0	.0	.0
25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)]	1,389,152	706,558	.0	.0	.0
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1) .....	.0	.0	.0	.0	.0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1) .....	.0	.0	.0	.0	.0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1) .....	.0	.0	.0	.0	.0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, C05, Line 10) .....	.0	.0	.0	.0	.0
30. Affiliated mortgage loans on real estate .....		.0	.0	.0	.0
31. All other affiliated .....		.0	.0	.0	.0
32. Total of above Lines 26 to 31	0	0	0	0	0

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL								0	0
2. Alaska	AK								0	0
3. Arizona	AZ								0	0
4. Arkansas	AR								0	0
5. California	CA								0	0
6. Colorado	CO								0	0
7. Connecticut	CT								0	0
8. Delaware	DE								0	0
9. Dist. of Columbia	DC								0	0
10. Florida	FL								0	0
11. Georgia	GA								0	0
12. Hawaii	HI								0	0
13. Idaho	ID								0	0
14. Illinois	IL								0	0
15. Indiana	IN								0	0
16. Iowa	IA								0	0
17. Kansas	KS								0	0
18. Kentucky	KY								0	0
19. Louisiana	LA								0	0
20. Maine	ME								0	0
21. Maryland	MD								0	0
22. Massachusetts	MA								0	0
23. Michigan	MI	L			6,598,406				6,598,406	0
24. Minnesota	MN								0	0
25. Mississippi	MS								0	0
26. Missouri	MO								0	0
27. Montana	MT								0	0
28. Nebraska	NE								0	0
29. Nevada	NV								0	0
30. New Hampshire	NH								0	0
31. New Jersey	NJ								0	0
32. New Mexico	NM								0	0
33. New York	NY								0	0
34. North Carolina	NC								0	0
35. North Dakota	ND								0	0
36. Ohio	OH								0	0
37. Oklahoma	OK								0	0
38. Oregon	OR								0	0
39. Pennsylvania	PA								0	0
40. Rhode Island	RI								0	0
41. South Carolina	SC								0	0
42. South Dakota	SD								0	0
43. Tennessee	TN								0	0
44. Texas	TX								0	0
45. Utah	UT								0	0
46. Vermont	VT								0	0
47. Virginia	VA								0	0
48. Washington	WA								0	0
49. West Virginia	WV								0	0
50. Wisconsin	WI								0	0
51. Wyoming	WY								0	0
52. American Samoa	AS								0	0
53. Guam	GU								0	0
54. Puerto Rico	PR								0	0
55. U.S. Virgin Islands	VI								0	0
56. Northern Mariana Islands	MP								0	0
57. Canada	CN								0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal		XXX	0	0	6,598,406	0	0	0	6,598,406	0
60. Reporting entity contributions for Employee Benefit Plans		XXX							0	
61. Total (Direct Business)	(a)	1	0	0	6,598,406	0	0	0	6,598,406	0
DETAILS OF WRITE-INS										
5801.		XXX								
5802.		XXX								
5803.		XXX								
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0	0	0	

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART 1 - ORGANIZATIONAL CHART

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